

PRESS RELEASE

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For Immediate Release

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Contact Person

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Madison, Wisconsin -- Erik C. Peterson, United States Attorney for the Western District of Wisconsin, announced that Brian R. Nelson, DOB 3/30/50, of Minneapolis, Minnesota, pleaded guilty this afternoon before U.S. District Judge John C. Shabaz to bank fraud. Nelson faces maximum penalties of thirty years in prison, a \$1,000,000 fine, a five-year supervised release term, and an order requiring restitution. He will be sentenced on February 14, 2007, at 1:15 p.m.

Nelson pleaded guilty to executing a "check kite" scheme between July 3, 2001 and August 7, 2001. Nelson admitted that he executed a scheme to defraud the Indianhead Credit Union, Grantsburg, Wisconsin, where he maintained two checking accounts, and the Firststar Bank (now US Bank), St. Paul, Minnesota, where he maintained one checking account. Nelson repeatedly caused checks written on one account to be deposited into the other accounts, in such a manner and at such times so as to create the appearance of positive balances in the three accounts. Nelson acknowledged that these false positive balances resulted in the banks honoring checks drawn against the accounts when there were insufficient funds to cover the checks. Nelson admitted that by August 7, 2001, the three accounts appeared to have combined

positive balances totaling more than \$90,000, when in truth the accounts had combined negative balances exceeding \$140,000.

The indictment followed an investigation conducted by the Federal Bureau of Investigation. The prosecution of this case has been handled by Assistant U.S. Attorney Timothy M. O'Shea.

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